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later. The four castes or "colors," it is true, already existed, but the lines between them were not hard and fast, and "there was altogether a much freer possibility of change among the social ranks than is usually supposed." It is especially noted that the caste of the Brahmins did not hold the first place in the social scale (which they succeeded later in attaining), but this was held, as we should expect, by the caste of the nobles, the Kshatriyas. Professor Rhys-Davids' explanation of the origin of the caste system does not seem to us a good one. He makes the basis of caste the restrictions as to *connubium* and *commensality*, such as exist the world over. But the fact that the castes were called "colors" in ancient India would seem to suggest that they were primarily based upon racial distinctions, and that the system was largely the outcome of racial struggle.

The most interesting feature of the economic organization of ancient India was the large number of guilds. The power as well as the number of these guilds indicates a high degree of industrial development. Archæological finds indicate a corresponding development of the arts and sciences, and show that commerce was extensive and carried on through the medium of coined money.

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*Money and Banking: An Introduction to the Study of Modern Currencies.*

By WILLIAM A. SCOTT, Ph. D. Pp. 381. Price, \$2.00. New York: Henry Holt & Co., 1903.

This book is intended to serve as a text for college courses in money and banking and as a hand-book for the average citizen. A good elementary text-book in this subject has been greatly needed, and few, if any, are better equipped than Professor Scott for the task of writing it. The book before us is written in the light of ten years' experience in teaching college classes. Its scope is satisfactory, its plan admirable, and the work as a whole is well balanced.

The arrangement is similar to that of Jevon's "Money and the Mechanism of Exchange." Professor Scott begins with a discussion of the Nature and Functions of Money; the Medium of Exchange: its Characteristics and Composition and the Relations between its Constituent Elements; the Standard of Value and Prices; the Quantity Theory of Prices; Metallic Money; and Government Paper Money. This is followed by chapters bearing the titles Bank Currency: its Nature, Operation and Advantages; the Forms of Bank Currency and the Limits of its Issue; Bank Currency: its Regulation and Safety; The Chief Banking Systems of the World; Banking Machinery and Methods; The Foreign Exchanges; and The Bank Rates. This is followed in turn by two chapters on bimetallism: the Theory of Bimetallism and the History of Bimetallism. Finally in appendices will be found a list of references, statistical tables relating chiefly to the production and coinage of the precious metals, and the par of exchange and gold points of the chief centres of foreign countries.

The exposition for the most part is excellent. The discussion throughout

is eminently sane. There is little that is new, but in the selection and rejection of materials the author has exercised good judgment. All the topics are well discussed, but Chapter IV on the Quantity Theory of Prices and Chapter XIV on the Theory of Bimetallism deserve special mention. On points at issue all important views are set forth clearly and fairly. At the end of each chapter a list of the principal references useful and ordinarily available for the American student is given so that he may extend his reading wisely and get further information. On the whole these references are well chosen. However, some omissions are not easily accounted for. For example, no reference is made in Chapter X dealing with the Chief Banking Systems of the World to Barnett's "State Banking in the United States since the Passage of the National Bank Act." Nor does the book contain a reference to the Monthly Summary of Commerce and Finance, with which every student of money and banking should become familiar.

Without further comment of this kind it may be said that the book has all the marks but two of an excellent text-book. The two shortcomings found are frequently met with in first editions, where the book has grown out of class-room lectures, viz: inaccuracy of details and lack of "up-to-dateness." The former is serious in this instance and the latter lays the author open to the charge of carelessness in revision for publication.

The inaccuracies, many of them important, are numerous in spite of the fact that "great pains have been taken to make the statements of fact in the book accurate." The nature of the inaccuracies may be seen from a few citations. The two-cent piece, the coinage of which was discontinued by the act of February 12, 1873, is mentioned several times (pages 20, 75, 76, 86) as one of the coins now struck at our mints. Our twenty-five-cent piece is said (78) to be known as a "bit" on the Pacific Coast and in the South. The silver dollar is said (84) always to have been invested with full legal-tender power, though later it is noted that in 1878 it was reinvested with this power. One is led to believe (114) that Congress in 1900 passed an act which fixed the minimum *gold* reserve for the redemption of government notes at \$150,000,000. The statement is made (161) without qualification "that at least one-third of the capital stock of national banks shall be invested in the registered bonds of the United States." Other statements are made so carelessly as to mislead the class of readers for which the book is written. Would a reader of this class, for example, not be misled by the statements that the Bank of England has "branches scattered all over the kingdom" (191) and that the Reichsbank has "numerous branches all over the empire" (199)?

When a book is published in 1903 the reader has a right to expect that absolute statements of fact in the present tense refer to what obtained within reasonably recent times. But if the reader accepted in this way statements made in this book he would frequently be deceived. The statements (160, 201) relative to the accumulation of a surplus by the Reichsbank and the divisions of profits between the German government and the stockholders do not hold true since the renewal of the charter of that institution in 1899. The limit to the note issues of the Bank of France was fixed by law at 4,000,000,000 francs (202), but in 1897 it was raised to 5,000,000,000 francs.

The statement (168) that "in the case of the Bank of England a limit of £16,450,000 is set to the issue of notes against which the bank is permitted to hold government securities" is no longer accurate. Other instances of this kind might be cited.

The reader of a book has a right to expect also that when statistical data are given they shall be brought down as nearly as may be to date. Professor Scott has made no effort to bring his statistical data down to a more recent date than the end of the year 1899 or the early part of the year 1900. The latest statistics (197-8) for our own bank currency are for July 1, 1900.

But all this adverse criticism is with reference to faults which may be corrected without great difficulty in a new edition, and when such corrections are made, the book should be an excellent college text.

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*American Republic and Its Government.* By JAMES ALBERT WOODBURN. Pp. 410. Price, \$2.00. New York: G. P. Putnam's Sons, 1903.

Professor Woodburn has written an admirable text-book suitable for colleges. In the eight chapters of his compact and well written work he deals with "The Principles of the Fathers," "The Federal Union," "The Presidency," "The Senate," "The House of Representatives," "The Judiciary," "The States" and "The Territories" respectively. The chapter on "The Principles of the Fathers" includes a discussion of the various rights which were supposedly the heritage of all Englishmen in 1776, such as the right of constitutional government, local self-government, jury trial, assembly and petition, assent to taxes, etc. In treating the historical basis of these rights, the author refers to the events of English history leading to the recognition of each right. In the chapter on "The Federal Union" is found the usual discussion of the various forms of government, including little that is new. In the difficult question as to the relation between the states and the Federal Government, the author gives a fairly satisfactory statement, that our government is federal in its origin but operates directly on the people and is, therefore, national in its operation. It is, perhaps, a matter for regret that so many of our writers on history and political science have not received a more thorough economic training, or if they have, that so little advantage has been taken of this field of thought in writing on political subjects. Had Professor Woodburn placed in Chapter II a few short paragraphs dealing with the economic and social reasons for the national character of our government and its operation, it would have lent much of interest and clearness to his discussion of the subject.

The chapter on "The Presidency" is disappointing; Professor Woodburn explains simply and with lucidity the essential differences between European executives and our own, laying great emphasis on the views of American statesmen at different periods in our history regarding the relations of Congress and the courts to the President; he also discusses at considerable length the method of election and its suggested amendments, together with the powers of the President.